

RESOLUTION NO. 12-80(b)
OF THE WASHINGTON FIRE COMMISSIONERS ASSOCIATION
CREATING AN INSURANCE RESERVE FUND ACCOUNT

WHEREAS, the Washington Fire Commissioners Association is an association formed under RCW 52.08.030(5) for the purpose of, among other things, promoting more economical and efficient operation of the Associated Fire Protection Districts, and

WHEREAS, one of WFCA's programs involves the acquisition, premium collection and payment of medical and dental insurance for member associations and qualified regional fire authorities, their employees and dependents, qualified retirees, qualified WFCA employees, qualified fire commissioners, qualified retired fire commissioners, and contract personnel approved by the IRSRA Committee, from certain of its member fire districts, and

WHEREAS, from time to time WFCA receives, or is entitled to receive, premium returns or refunds, dividends, and other funds from medical and dental insurers, being rate stabilization reserves, and

WHEREAS, in the past, said funds have been retained by the medical and dental insurance companies and invested by said companies, and

WHEREAS, if WFCA received said monies for investment and for obtaining competitive and lower medical and dental insurance rates, such would promote a more economical and efficient operation of member fire protection districts, and

WHEREAS, the Board of Directors of WFCA, at its October 26, 1980 meeting, authorized and directed the creation of an insurance rate stabilization reserve account to administer said monies.

NOW, THEREFORE, for the purpose of carrying out and giving effect to the above stated intentions of WFCA and to improve and facilitate the providing of medical and dental insurance for member fire districts and qualified regional fire authorities, their employees and dependents, qualified retirees, qualified WFCA employees, qualified fire commissioners, qualified retired fire commissioners, and contract personnel approved by the IRSRA Committee, it is hereby resolved by the Board of Directors of the Washington Fire Commissioners Association as follows:

1. CREATION OF THE INSURANCE RATE STABILIZATION RESERVE ACCOUNT. WFCA hereby creates and establishes an insurance rate stabilization reserve account (hereinafter referred to as IRSRA) for the exclusive purposes set forth below.

2. IRSRA ADMINISTRATION COMMITTEE. WFCA hereby creates and establishes an IRSRA Administration Committee (hereinafter referred to as the Committee) to administer funds in the insurance rate stabilization reserve account. The Committee shall administer funds in the IRSRA under the continuing direction, supervision and approval of the Board of Directors of WFCA. The Committee shall consist at all times of no fewer than three fire commissioners; all committee members shall represent jurisdictions enrolled in the WFCA health care program. The original members shall be JAMES R. LARSON, Clark County Fire Protection District No. 6, KENNETH GROTH, Yakima County Fire Protection District No. 11, and ROBERT W. YINGLING, Kitsap County Fire Protection District No. 7. The executive secretary of WFCA shall serve as secretary to the Committee.

At any time during the lifetime of the IRSRA, the WFCA Board of Directors shall have the right, without the consent of the other then members of the Committee to:

- (a) Appoint a new member to fill any vacancy in the Committee, which member must be a Fire Commissioner from a member district of WFCA, and
- (b) To increase the number of members on the Committee,
- (c) To discharge any member of the Committee.

On all matters delegated to them, the decision of the majority of the then members of the Committee shall govern, except as otherwise expressly provided herein to the contrary.

3. COMPOSITION OF THE INSURANCE RATE STABILIZATION ACCOUNT. The IRSRA shall consist of refunds, premium refunds, dividends, overpayments, or rate stabilization reserve funds received from medical and/or dental or other insurers or contractors of which WFCA is the named policy holder. Deposits into the account may also come from contributions or payments made by member participating fire protection districts and qualified regional fire authorities, their employees and dependents, qualified retirees, qualified WFCA employees, qualified fire commissioners, qualified retired fire commissioners, and contract personnel approved by the IRSRA Committee. As used herein the term “employee” includes volunteer firefighters who are eligible for such medical insurance coverage.

All monies received as aforesaid are hereby referred to as the “Account Fund”. The Administration Committee, under the supervision of the Board of Directors of WFCA, shall

receive, hold, manage and administer the account funds for the exclusive purposes hereinafter set forth and according to the terms and provisions of this resolution.

4. EXCLUSIVE PURPOSES OF IRSRA. The IRSRA account is created and shall exist and operate exclusively for the purpose of improving and facilitating medical and dental insurance for member participating fire protection districts and qualified regional fire authorities, their employees and dependents, qualified retirees, qualified WFCA employees, qualified fire commissioners, qualified retired fire commissioners, and contract personnel approved by the IRSRA Committee, including but not limited to advancing funds to reduce the cost of medical and/or dental insurance.

5. PAYMENTS FROM THE IRSRA ACCOUNT. The Administration Committee shall make payments of and from the IRSRA account to accomplish the purposes of the account and is authorized in the administrative powers of the Administration Committee as set forth below.

6. BANKS. The account shall be kept at such banking institutions, including savings and loan associations, as the Committee shall designate so long as the same are fully insured by an agency of the Federal Government or administered by the state of Washington.

7. ADMINISTRATIVE DUTIES AND POWERS. The Administration Committee shall have the following powers and duties in the administration of the trust fund, all of which are subject to the supervision, direction and approval of the Board of Directors of WFCA, to wit:

(a) To retain suitable agents and counsel specifically approved by the Board of Directors of WFCA.

(b) To recommend the payment of reasonable expenses and compensation for suitable agents and counsel.

(c) To reimburse the members of the Administration Committee for travel, per diem, and the like in the same manner as members of the Board of Directors of WFCA are reimbursed.

(d) To require books of accounts at all time and accurate minutes of all meetings.

8. BOND REQUIRED OF MEMBERS OF THE ADMINISTRATION COMMITTEE. The members of the Administration Committee and the executive secretary shall be bonded insuring their honest and faithful performance of their duties as set forth in this resolution. Any bond premium shall be paid out of IRSRA.

9. WITHDRAWAL OF MEMBER DISTRICTS. No individual member participating district has any right or interest in this fund because of its nature as a rate stabilization fund and therefore, in the event any member participating district or regional fire authority withdraws

from WFCA, such withdrawing member, its employees and dependents, qualified retirees, qualified WFCA employees, qualified fire commissioners, qualified retired fire commissioners, and contract personnel approved by the IRSRA Committee, shall forfeit all right and interest to the account fund.

10. TERMINATION OF ACCOUNT. In the event this program is terminated, the account fund shall be distributed to WFCA or any successor association, authorized by RCW 52.08.030(5) for like purposes for use in any program with similar purposes.

PASSED BY THE BOARD OF DIRECTORS OF WFCA at a meeting on the 17th day of January, 1981.

(Original resolution signed by Board members in attendance on 1/17/81, as follows: President James R. Larson, Ernest A. Cowell, Robert W. Yingling, G. Stanley Prather, R. Kenneth Groth, R. Edward McDonald, Duane G. Fleming, James W. Potts and Rein Kehle.)

Resolution amended by the WFCA Board of Directors on the following dates:

1982: April 17

1988: April 30

1990: April 21

1991: April 20

1993: March 20

1995: December 9

1997: December 6

1998: January 24, April 25, September 21, October 21, December 5

2002: January 29

2003: July 12

2004: April 24

2005: October 19

2008: April 20

2009: January 24